

~~TELEGRAPH BRIDGE~~~~SECRET SECURITY INFORMATION~~19
ActionControl: 7504
Rec'd: July 17
5:05 P.M.

FM Bangkok

TO: Secretary of State

NO: 106, July 17, 1 p.m.

SS
G
R
OLI
CIA
ARMY
AIR
NAVY
EURX
P
PSB
I
TBS
DCR
DCRMDEPT PASS RANGOON; SENT DEPT 106, RPT RANGOON 4, TAIPEI
POUCHED CHIENGMAI.

DEPT PASS DEPT ARMY FOR G-2.

Usually very reliable source whose info past activity KMT Shan States accurate offered following comments re Rangoon report Chinese Commies infiltration of Li Mi forces and attempt seize control by assassinating leaders:

1. Convicted Commies not in picture.
2. Believes any clashes involve fact generals within KMT dissatisfied with Li who has constantly refused supplies of ammo, other supplies among units under his command.
3. Source warned these factions might defect to Commies in desperation unless corrective measures taken Taipei by "the Nationalists and US."
4. CO 26th Army Lu Kuo-ch'uan in Bangkok attempting press Taipei to inform govt details Li Mi preoccupation with Yunnan and request more equitable distribution supplies which are now being flown twice weekly from Taipei to Monghsat.

Source still believes US, probably CIA, involved supplying commented US support of Li not (rpt not) answer to Yunnan a Commie campaign. Source was again informed US giving no (rpt) support KMT Shan States despite continued allegations Am involved.

BROWN

SMD:ARL

NOTE: Relayed to Rangoon, 7/17/52, 5:05 A.M., S.A.

~~SECRET SECURITY INFORMATION~~